

**REMARKS**

By the present Preliminary Amendment, Claims 1, 2, 4, 6, 7, 8, 9, 11, 13, 14, 15, 19, 20, and 21 have been amended in an effort to better define the Applicants' invention and not for patentability purposes. Claims 22-27 have been added.

Favorable consideration of the application is respectfully requested.

If the Examiner should have any questions concerning this communication or feels that an interview would be helpful, the Examiner is requested to call the Applicant's undersigned attorney at (718) 680-3565.

Respectfully submitted,



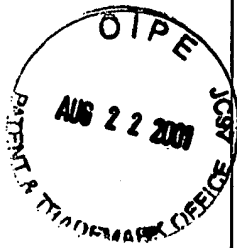
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PATENT

**IN THE UNITED STATES PATENT AND TRADEMARK OFFICE**

APPLICANTS: LIKOUREZOS et al. GROUP ART UNIT: 2164  
SERIAL NO.: 09/764,618 FILED: January 17, 2001  
EXAMINER: James Calve Atty. Docket No. 1002  
FOR: **SYSTEM AND METHOD FOR EFFECTING A REAL-TIME  
PAYMENT FOR AN ITEM WON ON AN ELECTRONIC AUCTION**

Assistant Commissioner for Patents  
Washington, DC 20231

**MARKED-UP VERSIONS OF THE AMENDMENTS**

Sir:

Marked-up versions of the amendments in accordance with 37 C.F.R. § 1.121 are  
provided below:

**Marked-Up Versions of the Replacement Paragraphs for the Specification:**

Marked-Up Version of the First Replacement Paragraph:

In particular, the present invention provides a payment system for effecting  
payment to a seller of an item offered for an electronic auction sale and won by a winning bidder  
at the conclusion of [an] the electronic auction sale. The system includes a database containing

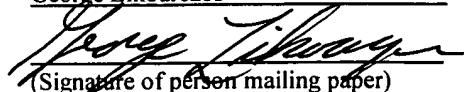
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**CERTIFICATION UNDER 37 C.F.R. § 1.8(a)**

I hereby certify that this correspondence is being deposited with the United States Postal Service as  
first class mail, postpaid in an envelope, addressed to the Assistant Commissioner for Patents, Washington, D.C. 20231.

Dated: 8/17/01

George Likourezos

  
(Signature of person mailing paper)

a plurality of electronic auction payment accounts, where the plurality of electronic auction payment accounts are configured for storing funds therein and capable of being configured for automatically having funds transferred thereto from various sources, and where one of the plurality of electronic auction payment accounts corresponds to the winning bidder and one of the plurality of electronic auction payment accounts corresponds to the seller; and a web server computer including application software for effecting payment by accessing the database and debiting an electronic auction payment account corresponding to the winning bidder and crediting at least one account corresponding to the seller without any intervention by the winning bidder following the conclusion of the electronic auction. The steps of debiting the electronic auction payment account corresponding to the winning bidder and crediting the at least one account corresponding to the seller occur in real-time.

Marked-Up Version of the Second Replacement Paragraph:

The present invention also provides a method for effecting payment [of] for an item offered for an electronic auction sale by a seller and won by a winning bidder at the conclusion of [an] the electronic auction sale where computer terminals of potential purchasers are used to access an electronic auction web [computer] site maintained by an auction server computer. The method includes the steps of: debiting an electronic auction payment account corresponding to the winning bidder, where the electronic auction payment account is configured for storing funds therein and capable of being configured for automatically having funds transferred thereto from at least one source corresponding to the winning bidder of the item; and crediting at least one account corresponding to the seller to effect payment [of] for the item won

by the winning bidder. The steps of debiting the electronic auction payment account corresponding to the winning bidder and crediting the at least one account corresponding to the seller occur in real-time.

**Marked-Up Versions of Claims 1, 2, 4, 6, 7, 8, 9, 11, 13, 14, 15, 19, 20, and 21:**

1. A method for effecting payment for a purchaser of [an] at least one item offered for an electronic auction sale by a seller [and won by a winning bidder at the conclusion of] via an electronic auction web site [where computer terminals of potential purchasers are used to access a computer site] maintained by [an auction server computer] at least one computing device, said method comprising the steps of:

debiting an electronic auction payment account corresponding to the [winning bidder] purchaser of the at least one item, where the electronic auction payment account is configured for storing funds therein and capable of being configured for automatically having funds transferred thereto from at least one source corresponding to the purchaser of the at least one item offered for the electronic auction sale; and

crediting at least one account corresponding to the seller to effect payment [of] for the at least one item [won by the winning bidder] offered for the electronic auction sale via the electronic auction web site.

2. The method according to Claim 1, further comprising the step of maintaining a plurality of electronic auction payment accounts corresponding to potential users of the [computer] electronic auction web site, wherein the plurality of electronic auction payment

accounts includes the electronic auction payment account corresponding to the [winning bidder] purchaser of the at least one item and an electronic auction payment account corresponding to the seller.

4. The method according to Claim 1, further comprising the step of receiving authorization from the [winning bidder] purchaser of the at least one item to debit the electronic auction payment account corresponding to the [winning bidder] purchaser of the at least one item and to credit the at least one account corresponding to the seller prior to the steps of debiting the [winning bidder's] purchaser's electronic auction payment account and crediting the at least one account corresponding to the seller.

6. The method according to Claim 1, further comprising the steps of:  
determining if there are sufficient funds in the electronic auction payment account corresponding to the [winning bidder] purchaser of the at least one item to effect payment; and  
loaning funds to effect payment, if there are not sufficient funds in the electronic auction payment account corresponding to the [winning bidder] purchaser of the at least one item.

7. The method according to Claim 6, further comprising the step of charging interest [by an operator of the auction server computer] for loaning funds to effect payment.

8. The method according to Claim 1, further comprising the steps of:  
determining if the [winning bidder] purchaser of the at least one item has indicated a purchase of insurance and/or for a personal guarantee [of] for the at least one item [won]; and  
debiting the electronic auction payment account corresponding to the [winning bidder] purchaser of the at least one item for an amount of funds to cover the purchase of insurance and/or for the personal guarantee [of] for the at least one item [won] purchased, if the [winning bidder] purchaser of the at least one item has indicated the purchase of insurance and/or for the personal guarantee [of] for the at least one item [won].

9. The method according to Claim 8, further comprising the step of retaining, by an operator of the [auction server computer] at least one computing device, a portion of the amount of funds debited as a service fee for the purchase of insurance and/or for the personal guarantee [of] for the at least one item [won].

11. The method according to Claim 10, further comprising the steps of:  
allocating a percentage of funds gained by investing the funds to the at least one of the plurality of electronic auction payment accounts; and  
retaining, by an operator of the [auction server computer] at least one computing device, a percentage of funds gained by investing the funds.

13. The method according to Claim 1, further comprising the step of retaining, by an operator of the [auction server computer] at least one computing device, a percentage of funds debited from the electronic auction payment account corresponding to the [winning bidder] purchaser of the at least one item prior to crediting the at least one account corresponding to the seller.

14. A system for effecting payment for a purchaser of [an] at least one item offered for an electronic auction sale by a seller [and won by a winning bidder at the conclusion of] via an electronic auction web site [where computer terminals of potential purchasers are used to access a computer site] maintained by [an auction server computer] at least one computing device, said system comprising:

means for maintaining a plurality of electronic auction payment accounts corresponding to potential users of the [computer] electronic auction web site, where the plurality of electronic auction payment accounts are configured for storing funds therein and capable of being configured upon receiving respective inputs from the potential users for automatically having funds transferred thereto from respective sources corresponding to the potential users, and the plurality of electronic auction payment accounts include an electronic auction payment account corresponding to the [winning bidder] purchaser of the at least one item offered for the electronic auction sale and an electronic auction payment account corresponding to the seller;

means for debiting the electronic auction payment account corresponding to the [winning bidder] purchaser of the at least one item offered for the electronic auction sale; and

means for crediting at least one account corresponding to the seller to effect

payment [of] for the at least one item [won by the winning bidder].

15. The system according to Claim 14, further comprising:

means for determining if there are sufficient funds in the electronic auction payment account corresponding to the [winning bidder] purchaser of the at least one item to effect payment; and

means for loaning funds to effect payment, if there are not sufficient funds in the electronic auction payment account corresponding to the [winning bidder] purchaser of the at least one item.

19. The system according to Claim 14, further comprising means for retaining a percentage of funds debited from the electronic auction payment account corresponding to the [winning bidder] purchaser of the at least one item prior to crediting the at least one account corresponding to the seller.

20. The system according to Claim 14, wherein the means for debiting and the means for crediting debit the electronic auction payment account corresponding to the [winning bidder] purchaser of the at least one item and credit the at least one account corresponding to the seller, respectively, in real-time.



21. A payment system for effecting payment to a seller of [an] at least one item offered for an electronic auction sale via an electronic auction web site and won by a winning bidder at the conclusion of [an] the electronic auction sale, said payment system comprising:

a database containing a plurality of electronic auction payment accounts, where the plurality of electronic auction payment accounts are configured for storing funds therein, and where one of the plurality of electronic auction payment accounts corresponds to the winning bidder of the at least one item and one of the plurality of electronic auction payment accounts corresponds to the seller; and

a [web server computer] computing device including application software for automatically effecting payment to the seller by accessing the database and debiting [an] the electronic auction payment account corresponding to the winning bidder of the at least one item and crediting at least one account corresponding to the seller without any intervention by the winning bidder following the conclusion of the electronic auction.

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